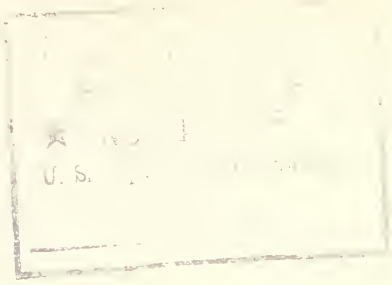


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LA - Office Procedure

UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF BIOLOGICAL SURVEY
DIVISION OF LAND ACQUISITION



Memorandum.....October 1, 1935

General Instructions Regarding the Preparation of Purchase Agreements
and Related Documents for Transmittal to the Washington Office.

The receipt recently of the first few acquisition cases on which copies of the several essential documents have been prepared in the regional offices, indicates the need of issuing general instructions outlining a uniform procedure to govern the preparation of such documents for transmittal to this office.

It is intended to supplement these instructions from time to time, as need for additional instructions becomes apparent.

The general form required for the several documents is well understood, so this memorandum will be concerned only with special features, dealing with uniformity of preparation.

Compliance with the following outlined procedure will greatly facilitate handling acquisition cases in this office, and the cooperation of everyone concerned in putting it into effect, is requested:

-- Purchase Agreement --

Original and 8 copies required. It will be necessary to make two "sets" of copies to obtain clear carbon copies.

Title Page:

Use project name instead of "Project No." as indicated on the present printed forms, and the words "Migratory Waterfowl Refuge" should be omitted.

"Outstanding rights and easements" refers to everything mentioned in paragraph one on page 2 of the agreement. Frequently in the past, a mortgage has been indicated in the body of the agreement, but the word "none" has appeared in the appropriate space on the Title Page. Such inconsistencies should be eliminated in these documents.

The tract number appearing on the Title page of the option should be consistent with the numbering on the examination report. It may sometimes involve more than one numerical designation, as (13,a and 12a-I). See suggestions for tract numbering under Examination Report.

Page Two:

Easements referred to in paragraph four on page two relate to such rights as are retained by the vendor, such as an easement to water for livestock. Easements held by third persons should be stated in paragraph one on page two.

The date appearing on page 1 of the agreement should agree with the date of instrument designated on the notarial sheet. When several acknowledgment sheets must be completed the date of instrument will be the date upon which the first signature is obtained, will remain the same throughout and be the same as expressed on page one.

The Notarial seal should be indicated on copies of the agreement by typing the wording of the seal in the appropriate place.

Acquisition Examination Report

Original and 5 copies required.

Project Name:

Nearly all projects active at this time are being designated as "Migratory Waterfowl Refuges" instead of "Migratory Bird Refuges" as shown on printed forms. This correction should be made on examination reports. It shall be the policy of this office to advise the several regional offices regarding officially approved project designations whenever there is any change from standard nomenclature.

The owner's name at the beginning of the report is accepted, together with the tract number, as the case designation for all record and file purposes. The owner's surname should appear first, as:

Smith, John

Smith, John, et al

Smith, Heirs of John, or, Estate of John,

Smith, John, Executor or Receiver, etc.

When a case has once been designated by an appropriate name and number, it is the practice to retain this designation as far as practicable throughout the entire period of negotiations. If later developments

should reveal the necessity for taking options from, or negotiating with other parties in the same case, the original case designation is retained and parenthetical reference is made to the new owner, as:

Smith, John, (12)
(Interest of James Black)

The system of numbering tracts, now in effect, often results in some confusion. However, compliance with a few general suggestions in this direction will largely obviate unnecessary confusion.

It is not always possible to determine accurately the exact numbering of a tract until the survey description has been prepared or until the case is finally closed. However, cases of such uncertainty are comparatively few and it is well to set up a case designation as early as possible and consistent with the best information at hand. The basic number of the ownership, as originally assigned, will rarely change; but the addition of literal and Roman numeral designations to the basic number frequently makes matters rather involved due to properly cataloging overlapping options and division of tracts by rights of way, etc., which are often obscure until title examination is made. Such features will for the most part be taken care of in this office.

The general requirements are outlined as follows:

(1) Each ownership is assigned a basic number.

(2) Each separate tract of the ownership, whether separate merely by geographical isolation from other parts of the ownership, or separate by reason of being optioned at different times or at different prices per acre, etc. is assigned a number symbol consisting of the basic ownership number and an appropriate lower case letter, as 12, 12a, 12b, etc.

(3) Overlapping options:

Should a subsequent option of another ownership contain land lying within the limits of a certain tract, that part of the tract included in both options, shall be regarded as a separate tract and designated by the number assigned in connection with the first obtained option, supplemented by a Roman numeral, as 12a-I.

(4) Should such "lap" completely divide a previously designated tract, as for example tract No. 12a, any portion so "cut off" will be designated in the same manner as the "lap", i. e., by an appropriate Roman numeral added to the original designation, as 12a-II. See print of diagrammatic sketch attached.

Acreage:

When the tract being reported consists of "town lots", the approximate acreage should be given.

The name of the State should be given with the name of the nearest town stated in the report and the address of the vendor should include the State name.

The price should be indicated as "per acre", except when necessary to indicate "for tract as a whole".

The word "known" should be given in connection with "Incumbrances", and all known incumbrances should be mentioned, including railroads, drainage ditches, etc., and all leases, notes and mortgages against any tract. The report in this respect as in all other essential respects, should be consistent with the information shown in the purchase agreement.

The total value of tract shown on the front of the Acquisition Examination Report should be obtained and shown as the sum of the total value of the land, products, timber, improvements, severance, etc., as indicated on the back of the report, improvement sheet and severance sheet. It should not be obtained by multiplying the computed average value by the acreage of the tract. This is necessary to secure uniformity and consistency in all cases. Computed average values should be given to the nearest cent only. If the computed value involves an even half cent, it is the practice to use the higher value rather than to drop the half cent.

The recommended total price, however, is obtained by multiplying the acreage of the tract by the recommended price per acre, except that in condemnation cases the total value of tract and the recommended total price should be given as the same for obvious reasons.

Reservation Discount:

Where reservations are included such as the right to cut timber, over a certain period of years, the appraised value should be discounted at 5% for the average period over which such reservations hold. Values for less than two years are not discounted. For example, with a six year timber reservation, where the cut over land is to be released at intervals, then the total appraised value of the timber land should be discounted at 5% for three years. It is assumed that half of the timber will have been removed and the land released within three years.

Recommendations:

The following listed forms to be used under this heading have been in use in this office for some time:

FORM A.

It is recommended that this tract be purchased at \$_____ per acre without reservations.

FORM B:

It is recommended that this tract be purchased at \$_____per acre subject to the reservations included in this report.

FORM C. (For condemnation).

It is recommended that this tract be acquired by judicial proceedings at \$_____per acre without reservations.

FORM D. (For homestead relinquishment).

It is recommended that the equity in this tract be purchased at \$_____per acre without reservations.

FORM F. (To be used for easements).

It is recommended that the easement for this tract be acquired for \$_____.

Across bottom of reverse side of report form, immediately below the Appraiser's signature and title, the following form should appear:

Date_____ Approved_____

Chief, Division of Land Acquisition.

Tract Ownership Data Form

This form in duplicate should accompany each case transmitted. It is especially useful to the office of the Solicitor and other agencies inquiring into the legal aspects of the case. Greater importance is being attached to this form than has sometimes been done in the past.

1034 Voucher for One Dollar

(1) Submit original voucher (1034) and two copies (1034a).

(2) Object of payment should appear on the face of the voucher and on the accompanying address slip, essentially as follows:

"For option dated _____ to purchase _____ acres of land in _____ county, State of _____."

(3) File designation as:

LA - State - Project - Owner - Tract No. - should appear in the margin at the top of voucher and both copies, as well as on the address form.

